Information Technology Authorization Committee

Friday, May 18, 2001

9:00a.m. - Noon

ASU Downtown Center, Phoenix Arizona

Minutes

Present

Jim Wang for Phyllis Biedess	AHCCCS
Dr. Linda Blessing	Board of Regents
Karl Heckart for Dave Byers	Supreme Court
Dr. Michael Gentry	Federal Government
John Jacobs	Private Industry
Dr. Bill Lewis	Dept. of Revenue
Honorable Dean Martin	State Senator
Danny Murphy	Local Government
Peter Woog	Private Industry
Rick Zelznak	Government Information Technology Agency

Absent:

Tom Betlach	Office of Strategic Planning & Budgeting
Albert Crawford, Jr.	Private Industry
Laraine Rodgers	Private Industry
Honorable Roberta Voss	State Representative

Call to Order at 9:00 a.m. by Rick Zelznak, Chair.

Director's Report   **Exhibit 1**

Approval of October, November, December Minutes   **Exhibit 2**
Motion to approve by John Jacobs; second by Senator Martin.
Approved

- **Information Infrastructure Protection**
 Rupert Loza, Strategic Planning Manager
Information Item

Department of Economic Security
  - **ASSISTS / HIPAA Impact Analysis**
 Frank Somers, GITA Oversight Manager;
Bob Buse, DES CIO.
Information Item

Project Approval
Arizona Health Care Cost Containment System   **Exhibit 3**
  - **AHCCCS Customer Eligibility (ACE) Project**
Frank Somers, GITA Oversight Manager

Peter Woog If we do this, how much money will the project be reduced by?
Frank Somers   I'm not sure it would have a reduction of funds that would be measurable because the No Wrong Door (NWD) participation would basically be sharing of data organization and code modules and, coordination of technology, so there would be a personnel FTE cost involved in meeting with committee sharing information. As far as technical development cost, I don't know if that would be significant.
Jim Wang   I don't believe there will be any cost; however, we still continue to work on developing a system or defining a system that will be compatible to interface with NWD. If NWD does get funded, we will be able to link in.
Peter Woog Will you come back saying you need more money to do NWD?
Jim Wang   We believe the linkage between two systems will be fairly inexpensive. I don't think you will see us back here.
Peter Woog If you're not going to save money now, you might as well do the original scope of it, bring it up to some point and have that part done, not do all that activity and come back here saying we have to build a bridge.
Frank Somers   Keep in mind that all PIJs contain estimates, the best guess as to what a project will cost. Considering that NWD was involved with participation of five agencies and they were still in a discovery process when the plug got pulled, there still may be some new things to discover about what you need to do to implement NWD. I believe there could be AHCCCS cost estimates as accurate as they can make them, but down the road, especially given HIPAA requirements and other things, there very well may be changes to the original cost estimates.
Rick Zelznak   One thing this will do is by establishing the screening of the client. We will establish the criteria and standards to the ACE project, then those can become screening and referral standards for NWD as Frank said. It takes that piece out of the NWD development and I think will help NWD move forward quicker by having those standards established.
Dr. Gentry   Should NWD get funded later and take off, we certainly, I think, want to go along with the notion in letting the ACE project go ahead, not wait. We want to do something at the same time that insures NWD does start, these two link. How do we phrase the motion?

Frank Somers The best way to phrase it might be a bird in the hand might be worth about two dozen pipe dreams over at the Capitol. We have a project here with an agency that may intend to do development in such a way that it will encompass many things other agencies are doing, although those things are undefined right now. To continue to tie this project to something that may or may not happen based on trigger 1 or trigger 2.

Dr. Gentry I didn't say tie it to a trigger; cut this project and go, but issue guidance along with it. Should NWD eventually come about, it should be taking advantage of what we already know somehow. Talk about foundation development…

Frank Somers I think we can encompass that in our confirmation letter. When Dr. Lewis brought up that it would be wise for DES to do an assessment, these folks have spent a lot of time and effort doing that assessment to find out what the cost would be to achieve compliance with an old system. In the same way, in our recommendation letter confirming the committee's approval, we can also put in an advisory for the committee's expectations that should NWD become a reality in the future, we would request AHCCCS to make their development, their software available to NWD for use in implementing that mission.

Dr. Blessing It makes sense to me.

Rick Zelznak We're talking about NWD resurfacing in 18 months and a lot can happen in 18 months. A PIJ that's gone through ITAC on NWD, there are revisions that need to come before ITAC again and we say NWD needs to link into ACE or whatever may come in front of us between now and then.

Dr. Lewis Could we accomplish the same thing by going to the two conditions, removing the first condition and modifying the second one to say AHCCCS management and IT staff will coordinate ACE development testing implementation efforts with NWD, should it be resurrected, or something to that effect? This would get rid of the requirement but if it is resurrected, you're asking to coordinate.

Jim Wang I believe in the PIJ it states specifically NWD design would be compatible with new systems, such as NWD.

Rick Zelznak An issue here is almost the flip side with NWD should become compatible with ACE.

Senator Martin One thing to put in there is should NWD be resurrected, there be no additional funding for AHCCCS in these programs to make those connections , that you're getting the funding now for NWD to become compatible. You won't get new funding to bring it in that way, so when you're developing, keep that in mind.

Jim Wang The scope of NWD is not well defined. If we look at it as interfacing NWD and ACE, we built that in and we have that in mind from the design.

Senator Martin Can't the current scope, as defined by the last ITAC meeting, from a legislative point of view, if we decide to change what NWD is, then it is easy to put more money into it. If we are unable to fund the program as originally designed, I guarantee you, AHCCCS will not get more money for it because they will want to implement it in all the other agencies and follow you as

opposed to you joining everybody else at the same time. From the budget standpoint, AHCCCS is now the leader and everybody else will be funded to follow you and that will be the format. You, most likely, will not be given money to conform to everybody else.

Karl Heckart We're setting up a political unknown future. NWD never settled in to a firm foundation, it was moving around where the funding would be, what could be done short-term to gain momentum, etc. I think the condition should be that this system be constructed in such a way that allows it to easily and readily share information and integrate with other external, non-agency systems. Every system you build on, you build that way today because the world's not in that virtual path. It doesn't put AHCCCS in a leadership role; it simply says build your system in a way that it can move forward. We shouldn't be talking about who is and is not in charge; it's filtering information into a neutral zone that utilizes and integrates with other people.

Frank Somers Wording might be: ACE should be developed such that the system may easily and readily share information with other agencies and systems.

Motion to approve by Dr. Lewis; second by John Jacobs;
Motion approved.
Dr. Blessing abstained because spouse is AHCCCS IT employee.

Department of Transportation   **Exhibit 4**
  ● **Commercial Vehicle Information System Network (CVISN)**
Frank Somers, GITA Oversight Manager
ADOT Presenters: Penny Martucci and Staff

Peter Woog On fuel tax, what you plan to is to be compatible with what commercial systems carriers are using now with GPS technology or will they have to modify their systems to comply with whatever we come up with?
Penny Martucci There are a lot of commercial systems out there for fuel trucks and we signed a new contract with Lockheed this year. Lockheed has many states on their vista and fuel system. We can purchase their system and their fuel system which forms a common carrier account, which the carriers love. It's everything we do with carriers, the one-stop shopping concept. A lot of states have DPS that does trucking things, MVD, DOR – at Motor Vehicle, we do it all. This common carrier account system, everything the carrier does is in one account. It's easier for the carrier and us. Systems can be easily adaptable to our system.
Peter Woog Or is it the other way around? We won't be the first state to go to electronic fuel tax collection and many of the national carriers have this implemented in the states where it exists. I don't want it to come with Arizona as an afterthought and we design some system different than the rest of the world and these carriers can't efficiently use them.
Penny Martucci Right now our system is different than the rest of the world;

we have a target system that does our processing. It's a homegrown system. They cannot access our system because we also do our distribution of ADOT funds on that system. Going forward it will be able to access our system.

ADOT Staff Before we implement this, we will see how other states did the front-end, how they did the interfaces and keep it standard. Working groups are creating common standards for this whole project.

Senator Martin Keeping your systems and developing them so their ability to interface with other systems in the future should be a running theme. I don't see a single system out there that would not at one point or another wants to be connected with something else.

Dr. Blessing I get the impression we're going to do this kind of condition fairly routinely and want to make sure I understand. Because something will vary from this PIJ after the RFP process, no matter what. You need to have some latitude, a schedule could be slightly different and, at what point do we want to put an agency through revising PIJs? Shouldn't there be some management prerogative? Second, it costs for Government Information Technology Agency approving a revision. I'm assuming that because you think they will be under $1M. At some level…

Frank Somers Where that came from is I took a page out of your book, Dr. Blessing. About two months ago, we were going to require an agency to come back to ITAC for approval and you suggested it might be more appropriate to just get Government Information Technology Agency approval.

Dr. Blessing I'm fine with that; I'm not being inconsistent, unless you're talking a totally different project that is now double in scope or something.

Frank Somers This could happen. I don't think it will happen but it is an insurance policy after we experienced a system originally proposed to Government Information Technology Agency at about $700,000, went through the RFP process and came back at $1.2M. The agency went ahead, not knowing they needed ITAC approval and spent the money. They came back to committee with money already spent and committed to software contract and it was very uncomfortable for this committee, Government Information Technology Agency and unfortunate. Especially unfortunate because that has been a problem system for years now.

Dr. Blessing Here's where I'm headed. If Government Information Technology Agency did the review, which I'm comfortable with and basically said, in essence, this is no longer the same project, it needs to go to ITAC. I trust that would happen.

Frank Somers Absolutely.

Dr. Blessing Could you address my first concern about some latitude?

Frank Somers The problem with putting any kind of measurements in there is they tend to be misinterpreted. Since it would come back for Government Information Technology Agency approval and potentially come back before the committee again based on what the differences were, in many cases what I have requested from agencies is a letter amendment indicating what the differences were. We're not talking about a significant burden. Second, if we put in a kind of limitation, like if your schedule varies by six months or crosses over by 10

percent and it happens to be 9.9 percent, I think, in general, this boilerplate kind of a condition is something we've used over and over again. It has been successful and got the agency's attention.

Dr. Blessing You're not requiring a full-blown revised PIJ, only the letter? That's fine.

Senator Martin Is there an analysis of after this is done how much this will save? Doing this electronically, is this going to save a certain number of FTEs out in the field, any kind of cost benefit we can go back to the Legislature and say vote for them, they're doing good?

Penny Martucci Craig Stender did run electronic transactions over the Internet. He had an analysis done for our Association of Motor Vehicle Administrators. The states are anxious to get into the Internet, wanting to know the cost of the transaction.

Frank Somers There were some minor savings, primarily what is being addressed. $30,000 potential cost savings and benefits to the state section of the PIJ document. Primarily benefits are carrier operations and safety-type benefits, dealing with motor carriers.

Rick Zelznak How effective is this going to be if all states are not on board? Are we at the cutting edge here in terms of implementing this?

Penny Martucci No, I wish we were at the cutting edge. The State of Washington has a regional survey they developed, which already includes the information from Montana, Idaho and will include ours. The states are on it (33) and others will come along. Even the 33 states exchanging information is great. States not on it have some of these systems in place anyway.

Karl Heckart You talk about states participating, CANAMEX corridor…

Penny Martucci They will have to go through our ports and need to have safety requirements.

Karl Heckart This is strictly information exchanged among other states, does not enter into Mexico?

Penny Martucci No, not yet. That could be in the future.

Rick Zelznak We're fortunate to have Peter Woog, Chair of the Governor's CANAMEX Task Force, sitting here and I sit on CANAMEX as well.

Peter Woog Right now the databases are separate. Trucks coming across the border have dual credentials -- both United States and Mexico licenses and plates. Going forward, we want to share the databases. For your information, you might be surprised to know the Mexicans are way ahead of us in technology, everything they are doing down there is bar-coded and we are inputting it a finger at a time. We met with the Mexicans and we want to see if we can develop the ability to share data, etc. This project and the one coming up are important to CANAMEX and have my full support. If the chair sees my being CANAMEX chair as a conflict, I'll be happy to abstain in the voting.

Rick Zelznak It would be best to abstain.

Motion to approve by Dr. Blessing; second by Dr. Lewis;
Motion approved.
Peter Woog abstained because of his position as CANAMEX chair.

- **Intelligent Transportation Systems (ITS)**   Exhibit 5

Frank Somers, GITA Oversight Manager
ADOT Presenters: Dan Lance; Tim Wolfe; Manny Agah; Cheryl Waters

Dr. Gentry   You don't gain a full lane in your electronic system?
Tim Wolfe   Probably about 1/3-1/2 of one. We could divide it by 2 or 3. The challenge is we couldn't build half of a lane and get any capacity. The next best alternative would have to be the full cost of lane widening.
Dr. Gentry   That's my next point. Real lanes are real lanes, not some virtual 1/3 of a lane. Where do you eventually have to expand the lanes anyway?
Tim Wolfe   Given the congestion problems in the Valley and across the country, we're going to have to use a lot of different tools. Widening is one of those; freeway management is another tool we're using. In the last week or so, there was an article in the *Arizona Republic* about congestion and Texas Transportation Institute does a study every year and releases congestion data. Right now, Phoenix is 13 in terms of congestion problems throughout the country. It talks about every place, the congestion keeps getting worse and worse. In the last 10 years, there has been a 540 percent increase in congestion on the highways. Every tool available to us, we'll have to use.
Dr. Gentry   The ratio is more like 3 to 1 instead of 8 to 1.
Rick Zelznak   Table 1 shows devices originally monitored with the PIJ cost amount, about $750,000 total cost. Are those costs also reflected in the $33M down the road?
Tim Wolfe   That's correct. For example, in 6A the annual operation and maintenance cost is $105,000. In Table 2, that's reflected as the annual budget income.
Dr. Gentry   (inaudible)
Dan Lance   That particular cost benefit is trying to address the comparative construction cost issue, another major component of the Freeway Management System is incident detection and reporting. Frankly, it is very hard to analyze what statistical data, of what the importance of that is. Some studies done on trying to measure the diversion after the freeway management sign is activated (inaudible) to get out of that and we've got a situation where we got 20 percent of traffic diverted from one route to another, were gone off the freeway system, so they don't compute Those things are more difficult to measure and we're trying to address those in some of our agency goals and measurements are better defined what the benefits are.
Senator Martin   What is the timeframe on this?
Tim Wolfe   The field devices are installed as part of construction projects in the field. Some of those are already under way, i. e., Phoenix Phase 6A is already under construction and Tucson Phase 1 is under construction. Some will be up and operational as soon as October. We'll need consultant contracts in place to get consultants on board to actually program the system central and upgrade any hardware central.

Motion for approval by Dr. Lewis; Second by John Jacobs;
Motion approved.
Peter Woog abstained because of his position as CANAMEX chair.

Rick Zelznak   Next will be a presentation by the Department of Education. This is actually a first for a project to come back to ITAC in terms of monitoring. One of the things we would like to do for the ITAC members is to revisit projects that have been approved so you can see how they have progressed in implementation.

ADE SAIS Project Status Report   **Exhibit 6**
 Hayford Gyampoh; Steve Holzinger; Andrew McDonald
Information Item

PIJ Status Report   **Exhibit 7**
No discussion

Monthly Project Monitoring Report   **Exhibit 8**
No discussion

Other Business
No discussion

Motion to adjourn by Peter Woog; second by John Jacobs.
Meeting adjourned.